HONOURABLE SRI JUSTICE GODA RAGHURAM

AND

HONOURABLE SRI JUSTICE M.VENKATESWARA REDDY

WRIT PETITION No.9715 OF 2006

Dated:09.05.2006

Between:

M/s Badami Foods, Kattedan, Hyderabad.

..... PETITIONER

AND

The Additional Commissioner (Commercial

Taxes) (Legal), Hyderabad and another.

.....RESPONDENTS

HONOURABLE SRI JUSTICE GODA RAGHURAM

AND

HONOURABLE SRI JUSTICE M.VENKATESWARA REDDY

WRIT PETITION No.9715 OF 2006

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ORDER: *(per Hon'ble Sri Justice Goda Raghuram)*

Heard learned counsel for the petitioner and learned Government Pleader for Commercial Taxes.

Writ Petition is directed against the order, dated 20.04.2006, rejecting the petitioner's application seeking stay of collection of disputed penalties. The third respondent, by an order, dated 25.2.2006, *inter alia*, levied penalties of Rs.21,03,073/- and Rs.1,09,52,651/- in respect of the assessment years 2003-04 and 2004-05 respectively, at five times the alleged tax due. Aggrieved thereby, the petitioner preferred appeals to the 2nd respondent on 06.03.2006 along with applications seeking stay of collection of the disputed penalties pending disposal of the appeals. The 2nd respondent, by orders, dated 13.3.2006, rejected the stay applications. Thereagainst, the petitioner preferred a revision before the 1st respondent under Section 19(2-B) of the A.P. General Sales Tax Act and by the impugned order, the 1st respondent has dismissed the revision.

As the substantive appeals of the petitioner against the penalty orders passed by the 3rd respondent are pending before the 2nd respondent, in the considered view of this Court, the petitioner is entitled to stay of the disputed penalties on condition of deposit of 25% of the penalty amount before the 3rd respondent.

Accordingly, the writ petition is disposed of granting stay of collection of the penalties, imposed under the 3rd respondent's proceedings, dated 25.2.2006, on condition that the petitioner

deposits 25% of the amount of penalties before the 3rd respondent within a period of eight weeks from today. There shall be no order as to costs.

GODA RAGHURAM, J

09.05.2006

PNB/DR

M.VENKATESWARA REDDY, J

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